

FISCAL NOTE

SB 48 – HB 477

March 20, 2007

SUMMARY OF BILL: Requires the State Board of Education in consultation with the Department of Education to develop a system of weights to be used to reduce the maximum class size in all classrooms that include students with disabilities or those who are eligible for special education services. These standards shall take effect in the 2008-2009 academic year.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$64,150,200 FY08-09

Increase Local Govt. Expenditures* - \$34,542,400 FY08-09

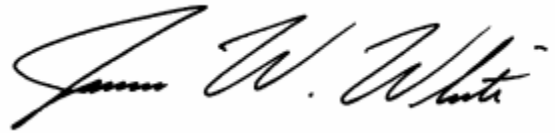
Assumptions:

- The increase to state and local government expenditures is due largely to the weighting factor for maximum limits in inclusionary or integrated classrooms.
- There are 139,409 special education students according to the Department of Education's 2005-06 Report Card.
- Using an average weighting factor of 0.5 (each special education student is counted on average as 1.5 students) this would mean 69,704 students would be added to the class size counts.
- Using an average class size of 30 (this is the maximum for grades 4-6 and the average for grades 7-12 required by the Education Improvement Act), approximately 2,323 additional teachers required to be hired.
- Therefore, 2,323 additional teachers x \$42,485 (FY05-06 average annual salary for classroom teachers without benefits) = \$98,692,655.
- In addition, classroom space will also be required for the additional teachers.
- Under the BEP the 65% state share will be \$64,150,200 and the 35% local share will be \$34,542,400.

*Article II, Section 24 of the Tennessee Constitution provides that: *no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is written in a cursive style with a large, stylized "J" and "W".

James W. White, Executive Director